

# OFFICIAL GAZETTE



## GOVERNMENT OF GOA

### EXTRAORDINARY

### No. 3

#### GOVERNMENT OF GOA

Department of Information

Directorate of Information and Publicity

#### Notification

1-10-2004-INF(OSD)

The Government of Goa is pleased to frame the following Scheme to grant subsidy on loan to entertainment industry in the State of Goa, namely—

1. *Short title and commencement.*— (1) This Scheme may be called the Goa Subsidy on Loans to Entertainment Industry (Cinema halls/Public theatres/Multiplexes) Scheme, 2004.

(2) It shall come into force from the date of its publication in the Official Gazette. Applications received on or before 31-3-2005 shall only be considered under this Scheme.

2. *Introduction.*— In an effort to boost the entertainment industry in the State of Goa, which is in bad shape and to upgrade some cinema halls for forthcoming International Film Festival of India (IFFI), it is proposed to provide subsidy equivalent to interest payable on loans granted to the owners of public cinema halls/theatres/Multiplexes, varying from Rs. 50.00 lakhs to Rs. 300.00 lakhs to be sanctioned, depending upon the place where cinema hall/theatre/Multiplex is situated, for development or upgradation of physical

infrastructure of such cinema hall/theatre/Multiplex. The development or upgradation of infrastructure facilities include development of facilities for public screenings, other facilities essential for holding of film festivals, etc.

3. *Objectives.*— The main objective of the Scheme is to develop or upgrade infrastructure in the public cinema halls/theatres/Multiplexes situated at different places in the State of Goa, for the benefit of the public and in order to bring infrastructure of international standards and quality in the cinema hall/theatre/multiplexes in the State of Goa. The Government or the nodal agency appointed by the Government for the purpose of hosting of IFFI and public screening shall approve the infrastructure facilities improved and renovation carried out.

4. *Eligibility.*— All cinema halls/theatres/Multiplexes that are existing and functional as on 22-11-2004 shall be eligible for the benefits under the Scheme, subject to fulfillment of the conditions laid down by the Government from time to time.

5. *Terms and conditions for availing benefits under this Scheme.*— (a) Theatre/cinema hall/Multiplex identified by the Directorate of film Festivals, Government of India, or by the Government of Goa, will be given preference over other theatres/cinema halls/multiplexes while sanctioning loan.

(b) Theatres/cinema halls/Multiplexes identified by the Directorate of film Festivals, Government of India, or the Government of Goa, for public

screenings during IFFI 2004, shall complete the requisite development or upgradation on or before 15-11-2004.

(c) Theatres/cinema halls/Multiplexes in the State of Goa which will not be utilized during IFFI 2004 but availing loan under this Scheme shall invariably complete the work by 31-3-2005.

(d) Only one time application for availing the loan under this scheme shall be entertained even if the works proposed to be undertaken are in two or more phases or in piecemeal.

(e) The loan amount will be disbursed in phases/instalments and to the extent of cost of each work(s) undertaken or cost of installation of equipment, complete in all respects on production of estimates duly certified by the Nodal Agency of the Government.

(f) The loanee shall obtain all requisite clearances and permissions from all concerned local authorities and agencies or Departments of State/Central Government for the purpose.

(g) The loanee shall, while obtaining the loan under this Scheme, give an undertaking to the Government that he shall make available the cinema hall/theatre/Multiplex after development or upgradation of its infrastructure as per the requirements of the Government, in a proper condition, every year, during the period of the International Film Festival of India and/or any other days/occasion, as may be decided by the Government, the total of such period not exceeding 30 days, for public screenings, exhibiting films, documentaries and for film shows, exhibiting other programmes and the like as per the choice of the Government on a fixed charges determined at 60% of the capacity of the theatre/cinema hall/Multiplex on 3 shows basis at normal rate or 45% of the capacity of the theatre/cinema hall/Multiplex on 4 shows basis at normal rate, as the case may be.

(h) The loanee shall comply or fulfill all the requirements of the Economic Development Corporation Ltd. (EDC Ltd.) who shall disburse the loan.

6. *Quantum of Loan.*— Under this Scheme, EDC Ltd. will provide loan to owners of public cinema hall/theatre/multiplex situated in the State of Goa upto the reasonable limit, considering the seating capacity of the cinema hall/theatre/multiplex and

based on the amount realized during the last twelve months, subject to maximum limit as specified hereunder provided that the design of the development or upgradation of infrastructure is approved by the Government or the nodal agency appointed by the Government.

(a) Upto Rs.3.00 crore or the actual expenses incurred on development or upgradation of cinema hall/theatre/Multiplex, whichever is less, in respect of cinema hall/theatre/multiplex in Panaji, subject to 96 times the amount of tax collection on average per month during the last 12 months.

(b) Upto Rs.1.5 crore or the actual expenses incurred on development or upgradation of infrastructure of cinema hall/theatre/multiplex, whichever is less, in respect of cinema hall/theatre/multiplex, in Madgaon, Vasco, Mapusa or Ponda, subject to 96 times the amount of tax collection on average per month during the last twelve months.

(c) Upto Rs.50.00 lakhs or the actual expenses incurred on development or upgradation of infrastructure of cinema hall/theatre/Multiplex, whichever is less, in respect of cinema hall/theatre/multiplex in other areas of the State of Goa, subject to 96 times the amount of tax collection on average per month during the last twelve months:

Provided that for new cinema halls/theatres/multiplexes in respect of which such data of tax collection during the last twelve months is not available, the EDC Ltd. shall estimate the limit of loan based on the collections of tax of any existing cinema hall/theatre or multiplex of comparable nature, in terms of its seating capacity, location, etc.

7. *Procedure to file the application.*— The owner of the cinema hall/theatre/multiplex who is eligible for benefits under this Scheme shall make an application in the specified proforma alongwith following documents to the EDC Ltd.

(i) design of development or upgradation of infrastructure alongwith its estimates approved by Nodal Agency of the Government.

(ii) undertaking as stated in clause 5(g).

(iii) such other documents as the Government or E.D.C. Ltd. may require.

8. *Sanctioning and disbursement procedure of loan by EDC Ltd.*— Upon receipt of the application, preliminary scrutiny and reference to the Board of Directors of EDC Ltd., the EDC Ltd. shall, thereafter, sanction and disburse the loan, within reasonable period, subject to fulfillment of all the conditions stipulated in the sanction by the loanee.

9. *Security.*— For availing the loan under the scheme, the loanee shall provide securities as required by EDC Ltd.

10. (a) *Repayment.*— (1) The loan shall be repaid by the loanee to EDC Ltd. in 22 equal quarterly installments, with a moratorium of about one and half years (18 months) from the date of first disbursement of loan amount.

(2) Pre-mature repayment of loan can be done but the balance benefit under the Scheme shall be forfeited to the Government.

(3) If the loanee fails to pay the installments within the stipulated time period, then an interest @ 12% or at higher rate as determined by the EDC Ltd. shall be levied and recovered from the loanee.

(4) The EDC Ltd. shall recover loan given under this Scheme in installments as envisaged in the Scheme from the loanee. If the loanee fails to pay the installments within stipulated time period, then the EDC Ltd. shall take action to recover the same as per the provisions of law applicable and in force including recovery by Civil Suits.

(b) *Interest Payment and subsidy.*— (1) The interest to be payable by the loanee to EDC Ltd. will be paid by the Government to the EDC Ltd. in the form of subsidy component on quarterly basis, based on terms of the Scheme and at 12% per annum or actual amount whichever is less.

(2) The Government shall not be liable to pay any extra interest to the EDC Ltd. arising on account of default of payment of loan installments by the loanee to the EDC Ltd. within stipulated time and such extra interest shall be recovered in terms of clause 10 (a)(3) above.

11. *Sanctioning and disbursement procedure for subsidy component.*— The Government will sanction an amount to the EDC Ltd. on receipt of application, from time to time, on account of subsidy component as per clause 10 (b) above.

12. *Submission of Utilisation Certificate.*— The loan amount availed of under this Scheme shall be used/utilized only for the purpose for which it is availed and the loanee shall submit Utilisation Certificate of loan amount and work completion certificate duly countersigned by a registered authorized architect to the EDC Ltd. and to the Government.

13. *Submission of Audited Statements.*— The loanee shall submit audited financial statements after end of every financial year for 7 years or till loan is paid, from the date of sanction of loan.

14. Premature payment of loan shall not absolve the loanee from obligation under clause 5(g).

15. *Records to be made available for inspection.*— The loanee shall make available any, or all records to the authorized official or agency of the Government or EDC Ltd. or any other Officer nominated for this purpose, at any time.

16. *Periodical Inspection.*— The authorized officials of the EDC Ltd. shall conduct periodical inspection of the cinema hall/theatre/multiplex to whom loan is sanctioned under this Scheme, to ascertain if its development or upgradation is carried out as per approved design.

17. *Events of Defaults.*— (1) If, it is noticed by the Government/EDC Ltd. that the loan sanctioned is not utilized for the purpose for which the same is sanctioned, then the Government or the EDC Ltd. shall have the right to recover the loan amount alongwith 12% interest thereon and shall also terminate the Agreement entered into while granting the loan. The security furnished by the loanee may be invoked by the Government/EDC Ltd. for recovery of loan amount. Recovery shall be done as stipulated in clause 10(4) of this Scheme from the loanee.

(2) The loanee shall not sell or transfer the property/assets for which loan is availed during the loan period i.e. for 7 years or during the period loan remains unpaid. In case the property/assets is/are sold or transferred in any manner before the completion of seven years period or during the period when loan remains unpaid, then the Government will cease to disburse subsidy components towards the interest for the balance loan amount and shall take suitable action as per

law for recovery of loan amount including interest and for breach of conditions.

18. *Interpretation.*— If any question arises as to the interpretation of any of the provisions of this Scheme or if there is dispute relating to fulfillment of any condition, under this Scheme, then the decision of the Chief Secretary to the Government of Goa, shall be final.

This has been issued with the concurrence of Finance Department vide their U.O.No.FS/2503/2004 dated 8-9-2004.

By order and in the name of the Governor of Goa.

*Smt. Jayshree Raghuraman*, Secretary  
(Information & Publicity).

Panaji, 29th October, 2004.